

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, DC 20554**

<u>IN THE MATTER OF</u>	:	Form 471 Application No: 527677
<u>GLENDALE SCHOOL DISTRICT</u>	:	Funding Year: 2006
1466 BEAVER VALLEY ROAD	:	Applicant's Form Identifier: GSD06471A
FLINTON, PA 16640-8900	:	Billed Entity No.:125595
	:	FCC Registration Number: 0011866423
	:	SPIN:143023276
	:	Service Provider Name: Last Mile, Inc.
	:	CC Docket 02-6

**SUPPLEMENTAL REQUEST FOR WAIVER/WAIVER REQUEST OF 60 DAY
DEADLINE FOR FILING APPEAL PURSUANT TO 47 C.F.R. §54.720**

AND NOW COMES, Glendale School District, by and through its counsel of record, Aimee L. Willett, Esquire, and ANDREWS & BEARD Law Offices, filing this Supplemental Request for Waiver of Appeal Period relative the Schools and Libraries Division of Universal Services Administrative Company's (USAC's) Demand Letter of June 4, 2012 and USAC's June 19, 2012 Administrators Decision on Appeal, identified above and in support thereof, aver as follows:

1. Glendale School District, is an educational entity, comprised of an elementary and secondary building, as defined by 47 C.F.R. §54.500.
2. Former Superintendent of Glendale School District, Dennis Bruno, submitted various Form 471s for several funding years seeking discounts for the School District.
3. The Administrator who submitted the at-issue form, as well as all other forms relating to E-Rate Benefits from 2001 to 2008, Dennis Bruno, is no longer employed by Glendale School District.

4. Further, by decision rendered March 15, 2012, Mr. Bruno has been barred by the Federal Communications Commission from participating in the schools and libraries universal service support mechanism (E-Rate Program) for three years from either the date of his receipt of the Notice of Debarment, or of its publication in the Federal Register, whichever is earlier in time (Debarment Date). (Exhibit "A" March 15, 2012 Notice of Debarment).

5. On April 2, 2012, the Schools and Libraries Division of Universal Services Administrative Company issued a Notification of Commitment Adjustment Letter to Glendale School District relative to a Form 471 submitted on behalf of the School District by Dennis Bruno.

6. In addition to the Commitment Adjustment Letter, the District has been working with USAC on an ongoing an investigation into the District's E-rate practices and procedures from 2001-2008, under Mr. Bruno's control and an ongoing criminal investigation into certain practices and procedures in effect under Mr. Bruno's tenure as superintendent.

7. According to the April 2, 2012 letter:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review it was determined that the service provider information appeared on the cited Form 470. The FCC Form 470 contains specific service provider information. Under Item 13b, it states, 'We intend to continue the multiyear contract with Sting Communication for internet access.' Sting Communication is Last Miles, Inc and the applicant did request IA from this service provider un a multi-year contract. FCC rules require applicants to submit a FCC Form 470 to initiate the competitive bidding process and to conduct a fair and open process. If the applicant has posted a FCC Form 470 that contains information for a service provider that participates in the competitive bidding process, the applicant has violated this requirement, and FCC rules consider this FCC Form 470 to be tainted. All Funding requests that relate to this Form 470 are required to be denied because the FCC Form 470 is tainted. Accordingly, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds. USAC has determined that both the applicant and the service provider are responsible for this rule violation; if any funds were disbursed, USAC will seek

recovery of the improperly disbursed funds from both the applicant and the service provider.

8. According to the Commitment Adjustment Report explained above, the School District either has to pay \$81,000 back to USAC within 30 days of a Demand Payment Letter, believed to be forthcoming, or alternatively file an appeal within 60 days of the Commitment Adjustment Letter of April 2, 2012. (Exhibit “B” Notification of Commitment Adjustment Letter and corresponding Commitment Adjustment Report is attached hereto).

9. The School District sought a waiver of the 60 day appeal period for purposes of researching/investigating the allegations raised in the April 2, 2012, letter from SLD-USAC and the history of the District’s participation in the E-Rate program, including contracts that may have been entered into and services received by the District with the FCC.

10. Specifically, the School District sought a 60 day extension of the filing deadline to ascertain whether the School District has a legitimate basis to appeal the Notification of Commitment Adjustment issued by SLS-USAC seeking repayment of \$81,000, and if so, to prepare the appeal and submit it to this Honorable Commission.

11. Since the initial waiver, USAC issued a Demand Letter for the \$81,000, dated June 4, 2012. (Exhibit “C”).

12. Further, USAC denied the District’s Letter Appeal to it dated June 19, 2012. (Exhibit “D”).

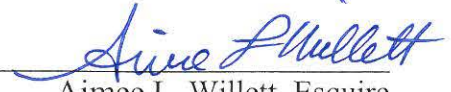
13. It is believed and therefore averred that the District’s E-Rate submission for price funding years are still the subject of investigation.

14. The School District is renewing its request for a waiver of the 60 day appeal period, pending completion of all state, federal and agency investigations into District practices.

WHEREFORE, this undersigned counsel respectfully requests this Honorable Commission enter an Order waiving the 60 day deadline for filing an appeal pursuant to 47 C.F.R. §54.720, pending the conclusion of all state, federal and agency investigations into prior District submissions.

Respectfully submitted:

ANDREWS & BEARD



Aimee L. Willett, Esquire

Pa.I.D. No. 87695

Counsel for Glendale School District

ANDREWS & BEARD

3366 Lynnwood Drive

P.O. Box 1311

Altoona, PA 16603

(814) 943-9829

Fax: (814) 943-0856



Enforcement Bureau
Investigations and Hearings
Division

FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, DC 20554

March 15, 2012

DA 12-409

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED
AND E-MAIL

Dr. Dennis L. Bruno
c/o Mr. Arthur T. McQuillan
McQuillan Law Offices
206 Main Street
Johnstown, PA 15901

Re: Notice of Debarment
File No. EB-11-IH-1582

Dear Dr. Bruno:

The Federal Communications Commission (Commission) hereby notifies you that, pursuant to Section 54.8 of its rules, you are prohibited from participating in the schools and libraries universal service support mechanism (E-Rate program) for three years from either the date of your receipt of this Notice of Debarment, or of its publication in the Federal Register, whichever is earlier in time (Debarment Date).¹

On November 18, 2011, the Commission's Enforcement Bureau (Bureau) sent you a Notice of Suspension and Initiation of Debarment Proceeding (Notice of Suspension)² that was published in the Federal Register on November 30, 2011.³ The Notice of Suspension suspended you from participating in activities associated with or relating to the E-Rate program and described the basis for initiating debarment proceedings against you, the applicable debarment procedures, and the effect of debarment.

As discussed in the Notice of Suspension, on May 9, 2011, you pled guilty to intentionally misappropriating approximately \$49,600 in federal education funds from the

¹ 47 C.F.R. § 54.8(g). See also 47 C.F.R. § 0.111 (delegating authority to the Enforcement Bureau to resolve universal service suspension and debarment proceedings).

² Letter from Theresa Z. Cavanaugh, Acting Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, to Dr. Dennis L. Bruno, Notice of Suspension and Initiation of Debarment Proceeding, 26 FCC Rcd 16006 (Enf. Bur. 2011) (Attachment 1).

³ 76 Fed. Reg. 74058 (Nov. 30, 2011).



Dr. Dennis L. Bruno
March 15, 2012
Page 2

Department of Education's Fund for the Improvement of Education program in your capacity as Superintendent of the Glendale School District.⁴ Additionally, you admitted and stipulated in a plea agreement that you had conspired with others to fraudulently obtain \$414,421.92 from the E-Rate program.⁵ Pursuant to Section 54.8(c) of the Commission's rules, your conviction of criminal conduct in connection with the E-Rate program is the basis for your debarment.⁶

In accordance with the Commission's debarment rules, you were required to file with the Commission any opposition to your suspension or its scope, or to your proposed debarment or its scope, no later than 30 calendar days from either the date of your receipt of the Notice of Suspension or of its publication in the Federal Register, whichever date occurred first.⁷ The Commission did not receive any such opposition.

For the foregoing reasons, you are debarred from participating in the E-Rate program for three years from the Debarment Date.⁸ During this debarment period, you are excluded from participating in any activities associated with or related to the E-Rate program, including the receipt of funds or discounted services through the E-Rate program, or consulting with, assisting, or advising applicants or service providers regarding the E-Rate program.⁹

Sincerely,

Theresa Z. Cavanaugh
Acting Chief
Investigations and Hearings Division
Enforcement Bureau

cc: Johnnay Schrieber, Universal Service Administrative Company (via e-mail)
Rashann Duvall, Universal Service Administrative Company (via e-mail)
Stephanie L. Haines, United States Attorney's Office, Western Pennsylvania (via e-mail)

⁴ *United States v. Dennis L. Bruno*, Criminal Docket No. 11-15 J, Arraignment Plea; UNITED STATES ATTORNEY'S OFFICE, WESTERN DISTRICT OF PENNSYLVANIA, News, Former Superintendent Pleads Guilty to Federal Program Theft, May 9, 2011, at http://www.justice.gov/usao/paw/news/2011/2011_may/2011_05_09_05.html (Press Release).

⁵ Press Release at 1.

⁶ 47 C.F.R. § 54.8(c).

⁷ 47 C.F.R. §§ 54.8 (e)(3), (4). Any opposition had to be filed no later than December 30, 2011.

⁸ *Id.* §§ 54.8(e)(5), (g).

⁹ *Id.* §§ 54.8(a)(1), (5), (d).



Universal Service Administrative Company

Schools and Libraries Division

Notification of Commitment Adjustment Letter

Funding Year 2006: July 1, 2006 - June 30, 2007

April 02, 2012

Dennis Bruno
GLENDALE SCHOOL DISTRICT
1466 BEAVER VALLEY RD
FLINTON, PA 16640 8900

Re: Form 471 Application Number:	527677
Funding Year:	2006
Applicant's Form Identifier:	GSD06471A
Billed Entity Number:	125595
FCC Registration Number:	0011866423
SPIN:	143023276
Service Provider Name:	Last Mile Inc
Service Provider Contact Person:	Jennifer Tobias

Our routine review of Schools and Libraries Program (Program) funding commitments has revealed certain applications where funds were committed in violation of Program rules.

In order to be sure that no funds are used in violation of Program rules, the Universal Service Administrative Company (USAC) must now adjust your overall funding commitment. The purpose of this letter is to make the required adjustments to your funding commitment, and to give you an opportunity to appeal this decision. USAC has determined the applicant is responsible for all or some of the violations. Therefore, the applicant is responsible to repay all or some of the funds disbursed in error (if any).

This is NOT a bill. If recovery of disbursed funds is required, the next step in the recovery process is for USAC to issue you a Demand Payment Letter. The balance of the debt will be due within 30 days of that letter. Failure to pay the debt within 30 days from the date of the Demand Payment Letter could result in interest, late payment fees, administrative charges and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

TO APPEAL THIS DECISION:

You have the option of filing an appeal with USAC or directly with the Federal Communications Commission (FCC).

If you wish to appeal the Commitment Adjustment Decision indicated in this letter to USAC your appeal must be received or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and email address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify the date of the Notification of Commitment Adjustment Letter and the Funding Request Number(s) (FRN) you are appealing. Your letter of appeal must include the
 - Billed Entity Name,
 - Form 471 Application Number,
 - Billed Entity Number, and
 - FCC Registration Number (FCC RN) from the top of your letter.
3. When explaining your appeal, copy the language or text from the Notification of Commitment Adjustment Letter that is the subject of your appeal to allow USAC to more readily understand your appeal and respond appropriately. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal including any correspondence and documentation.
4. If you are an applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are a service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
5. Provide an authorized signature on your letter of appeal.

To submit your appeal to us on paper, send your appeal to:

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
100 S. Jefferson Rd.
P. O. Box 902
Whippany, NJ 07981

For more information on submitting an appeal to USAC, please see the "Appeals Procedure" posted on our website.

If you wish to appeal a decision in this letter to the FCC, you should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted on our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

FUNDING COMMITMENT ADJUSTMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Adjustment Report (Report) for the Form 471 application cited above. The enclosed Report includes the Funding Request Number(s) from your application for which adjustments are necessary. See the "Guide to USAC Letter Reports" posted at <http://usac.org/sl/tools/reference/guide-usac-letter-reports.aspx> for more information on each of the fields in the Report. USAC is also sending this information to your service provider(s) for informational purposes. If USAC has determined the service provider is also responsible for any rule violation on the FRN(s), a separate letter will be sent to the service provider detailing the necessary service provider action.

Note that if the Funds Disbursed to Date amount is less than the Adjusted Funding Commitment amount, USAC will continue to process properly filed invoices up to the Adjusted Funding Commitment amount. Review the Funding Commitment Adjustment Explanation in the attached Report for an explanation of the reduction to the commitment(s). Please ensure that any invoices that you or your service provider(s) submits to USAC are consistent with Program rules as indicated in the Funding Commitment Adjustment Explanation. If the Funds Disbursed to Date amount exceeds your Adjusted Funding Commitment amount, USAC will have to recover some or all of the disbursed funds. The Report explains the exact amount (if any) the applicant is responsible for repaying.

Schools and Libraries Division
Universal Services Administrative Company

cc: Jennifer Tobias
Last Mile Inc

Funding Commitment Adjustment Report for
Form 471 Application Number: 527677

Funding Request Number:	1455006
Services Ordered:	INTERNET ACCESS
SPIN:	143023276
Service Provider Name:	Last Mile Inc
Contract Number:	N/A
Billing Account Number:	
Site Identifier:	125595
Original Funding Commitment:	\$81,000.00
Commitment Adjustment Amount:	\$81,000.00
Adjusted Funding Commitment:	\$0.00
Funds Disbursed to Date	\$81,000.00
Funds to be Recovered from Applicant:	\$81,000.00
Funding Commitment Adjustment Explanation:	

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review it was determined that service provider information appeared on the cited Form 470. The FCC Form 470 contains specific service provider information. Under Item 13b, it states, "We intend to continue the multiyear contract with Sting communication for internet access." Sting Communication is Last Miles Inc and the applicant did request IA from this service provider under a multi-year contract. FCC rules require applicants to submit a FCC Form 470 to initiate the competitive bidding process, and to conduct a fair and open process. If the applicant has posted a FCC Form 470 that contains information for a service provider that participates in the competitive bidding process, the applicant has violated this requirement, and FCC rules consider this FCC Form 470 to be tainted. All Funding Requests that relate to this FCC Form 470 are required to be denied because the FCC Form 470 is tainted. Accordingly, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds. USAC has determined that both the applicant and the service provider are responsible for this rule violation; if any funds were disbursed, USAC will seek recovery of the improperly disbursed funds from both the applicant and the service provider.



Universal Service Administrative Company

Schools & Libraries Division

Demand Payment Letter

(Funding Year 2006: July 1, 2006 - June 30, 2007)

June 4, 2012

Dennis Bruno

GLENDAL SCHOOL DISTRICT

1466 BEAVER VALLEY RD

FLINTON, PA 16640 8900

Re: Form 471 Application Number: 527677
Funding Year: 2006
Applicant's Form Identifier: GSD06471A
Billed Entity Number: 125595
FCC Registration Number: 0011866423
SPIN: 143023276
Service Provider Name: Last Mile Inc
Service Provider Contact Person: Jennifer Tobias
Payment Due By: 7/4/2012

You were previously sent a Notification of Commitment Adjustment Letter informing you of the need to recover funds for the Funding Request Number(s) (FRNs) listed on the Funding Commitment Adjustment Report (Report) attached to the Notification of Commitment Adjustment Letter. A copy of that Report is attached to this letter.

The balance of this debt is due within 30 days from the date of this letter. Failure to pay the debt within 30 days from the date of this letter could result in interest, late payment fees, administrative charges, and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

If the Universal Service Administrative Company (USAC) has determined that both the applicant and the service provider are responsible for a Program rule violation, then, pursuant to the Order on Reconsideration and Fourth Report and Order (FCC 04-181), USAC will seek recovery of the improperly disbursed amount from BOTH parties and will continue to seek recovery until either or both parties have fully paid the debt. If USAC has determined that both the applicant and the service provider are responsible for a Program rule violation, this was indicated in the Funding Commitment Adjustment Explanation on the Funding Commitment Adjustment Report.

Schools and Libraries Division - Correspondence Unit
100 South Jefferson Road, P.O. Box 902, Whippany, NJ 07981

Bloomberg No. 5208

EXHIBIT

C

Funding Commitment Adjustment Report
Form 471 Application Number: 527677

Funding Request Number: 1455006
Services Ordered: INTERNET ACCESS
SPIN: 143023276
Service Provider Name: Last Mile Inc
Contract Number: N/A
Billing Account Number:
Site Identifier: 125595
Original Funding Commitment: \$81,000.00
Commitment Adjustment Amount: \$81,000.00
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$81,000.00
Funds to be Recovered from Applicant: \$81,000.00
Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review it was determined that service provider information appeared on the cited Form 470. The FCC Form 470 contains specific service provider information. Under Item 13b, it states, "We intend to continue the multiyear contract with Sting communication for internet access." Sting Communication is Last Miles Inc and the applicant did request IA from this service provider under a multi-year contract. FCC rules require applicants to submit a FCC Form 470 to initiate the competitive bidding process, and to conduct a fair and open process. If the applicant has posted a FCC Form 470 that contains information for a service provider that participates in the competitive bidding process, the applicant has violated this requirement, and FCC rules consider this FCC Form 470 to be tainted. All Funding Requests that relate to this FCC Form 470 are required to be denied because the FCC Form 470 is tainted. Accordingly, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds. USAC has determined that both the applicant and the service provider are responsible for this rule violation; if any funds were disbursed, USAC will seek recovery of the improperly disbursed funds from both the applicant and the service provider.



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2006-2007

June 19, 2012

Aimee Willett
Andrews & Beard Law Offices
1366 Lynnwood Drive
P.O. Box 1311
Altoona, PA 16603

Re: Applicant Name: GLENDALE SCHOOL DISTRICT
Billed Entity Number: 125595
Form 471 Application Number: 527677
Funding Request Number(s): 1455006
Your Correspondence Dated: June 12, 2012

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision regarding your appeal for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 1455006
Decision on Appeal: **Dismissed**
Explanation:

- Your appeal is being made on a Form 471 for which a Commitment Adjustment Decision Letter (CAL) was issued on April 2, 2012. Procedures for filing an appeal are explained in your CAL and on our website at www.usac.org/sl. You had 60 days to appeal USAC's decision, which was identified in the CAL. After the 60 days, the Demand Payment Letter was issued on June 4, 2012. The Demand Payment Letter, which you are appealing, is a request for payment and is not the USAC decision on the Commitment. Consequently, your appeal is being dismissed.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either USAC or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company